

Dated: September 8, 2011



JACKSON WHITE
ATTORNEYS AT LAW
A Professional Corporation

Randolph J. Haines

Randolph J. Haines, Bankruptcy Judge

40 North Center Street, Suite 200
Mesa, Arizona 85201
T: (480) 464-1111 F: (480) 464-5692
Email: centraldocket@jacksonwhitelaw.com
Attorneys for Debtor and Debtor in Possession HB Global, LLC
By: Kelly G. Black, No. 016376

UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA

In re:

No. 2:11-bk-17648-RJH

HB Global, LLC

**Order Approving Debtor's Assumption of
Real Property Lease with MC AZ**

Debtor

Assigned to: Honorable Randolph J. Haines

After hearing evidence and argument on August 9, 2011, the Court shortened the time for HB Global, LLC, Debtor and Debtor-in-Possession ("Debtor"), to assume or reject its lease with MC AZ Grand Village, LLC ("MC AZ") (Doc 45);

Debtor thereafter moved pursuant to 11 U.S.C. § 365(a) for approval of its assumption of a lease with MC AZ (Doc 47), MC AZ objected to the motion (Doc 49), and the parties filed their Joint Pretrial Statement (Doc 52);

On August 31, 2011, the Court took evidence and heard argument on Debtor's motion, which it considered along with evidence and argument presented on August 9, 2011 (Doc 53);

The Court finds as follows:

1. That Debtor and MC AZ Grand Village, LLC entered into a lease (the "Lease") for real property located at 18795 N. Reems Road, Suite 109, Surprise, AZ 85374-8686 in Maricopa County, memorialized in an original Lease bearing an effective date of April 22, 2009 (Exhibit 7) and amended by an Amendment to Lease Agreement dated November 2009 (Exhibit 8);

2. That Debtor is in default under the Lease;

1 3. That the amount required to cure the Lease and compensate MC AZ is \$66,441.12
2 (Exhibit 4);

3 4. That the evidence presented establishes that Debtor has provided adequate
4 assurance that it will promptly cure the Lease and perform under the Lease in the future;

5 5. That the evidence presented establishes that the terms of Debtor's proposed
6 assumption, outlined in the orders below, satisfies the requirements of 11 U.S.C. § 365;

7 WHEREFORE, the Court approves Debtor's assumption of the Lease on the following
8 terms:

9 1. Debtor shall pay MC AZ Grand Village, LLC \$66,441.12, with interest from the
10 date of this order (the "Cure Amount");

11 2. Until the Cure Amount is paid in full, Debtor shall make payments to MC AZ
12 Grand Village, LLC in the following minimum amounts:

- 13 a. \$5,000.00 by the end of September 2011;
- 14 b. \$8,000.00 by the end of October 2011;
- 15 c. \$8,000.00 by the end of November 2011;
- 16 d. \$10,000.00 by the end of December 2011;
- 17 e. \$10,000.00 by the end of January 2012;
- 18 f. \$10,000.00 by the end of February 2012;
- 19 g. \$10,000.00 by the end of March 2012;
- 20 h. \$10,000.00 by the end of April 2012;

21 3. A failure by Debtor failure to make the payments required by paragraphs 1-2 is a
22 default under the lease;

23 4. Debtor shall establish a separate bank account in which to deposit reserves for
24 future lease obligations;

25 5. Debtor shall make weekly deposits to the separate bank account in the following
26 amounts:

- 27 a. From September through April, \$2,750.00;
- 28 b. From May through August, \$550.00;

1 6. Debtor shall make withdrawals from the separate bank account only (a) to pay
2 rent which accrues on and after October 1, 2011; (b) in the amount of any excess remaining in
3 the account each year after making the payment due September 1; or (c) on satisfaction of its
4 obligations under the lease;

5 7. To secure Debtor's performance of its obligations under paragraphs 4-6, Debtor
6 shall grant MC AZ Grand Village, LLC a lien against Debtor's merchant account.

7 SIGNED AND DATED ABOVE.

8
9 25742-001\413083.docx